



NOV 22 2006

The Honorable Jennifer Granholm  
Governor of Michigan  
Governor's Office  
Post Office Box 30013  
Lansing, Michigan 48909

Dear Governor Granholm:

It is with pleasure that I respond to the State of Michigan's submission of a workforce flexibility (work-flex) plan. This action is taken under the Secretary's authority to approve work-flex plans, under which the state is authorized to waive certain statutory and regulatory requirements under title I of the Workforce Investment Act (WIA) applicable to local areas. The plan appears to meet the standard for approval at 20 CFR 661.430. The following is the disposition of the state's submission.

Per the requirement at 20 CFR 661.430(c) to identify the statutory and regulatory requirements that are likely to be waived by the state for local areas, the state indicates that it will waive training provider eligibility provisions at WIA section 122 applicable to the Central Area Michigan Works Consortium (CAMWC), a local workforce investment area. The state is concerned that the number of eligible training providers is insufficient to meet the increased demand for training that will result from the closure of Electrolux Home Products, a large employer based in Greenville, Michigan. The waiver will allow the local area to implement a flexible training plan to serve the needs of dislocated Electrolux workers.

Under the work-flex plan, the state seeks to continue the use of training providers on the eligible training provider list and engage them in new program development, increase access to training at community colleges and a local public university, and create customized, accelerated training programs to move workers back into the workforce with new and updated skills as quickly as possible. The plan includes commitments by the state and local area to work with accredited institutions, conduct annual reviews of training provider performance, collect trainee performance information, and provide customer choice.

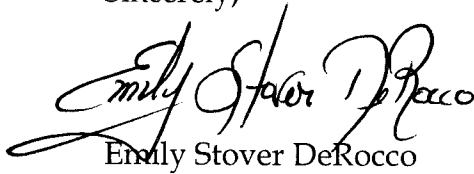
Accordingly, we are approving the state's work-flex plan through June 30, 2007. Under this plan, the state will be able to waive the application of eligible training provider provisions at WIA section 122 to the Central Area Michigan Works Consortium in order to respond to the Electrolux closure. As a condition of the approval, the state will submit to the Employment and Training Administration's Chicago regional office a list

of other provisions, if any, that it anticipates waiving for local areas in the future. The immediate outcome of the waiver granted under the work-flex authority is the development of effective responses to the workforce needs created by the Electrolux closure. The precise programmatic and performance outcomes will be negotiated with the Chicago regional office within the next three months.

As provided for under paragraph 3 of the executed Agreement, the approved work-flex plan is incorporated by reference into the state's WIA Grant Agreement. A copy of this letter should be filed with the state's WIA Grant Agreement and the state's Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,

A handwritten signature in black ink, reading "Emily Stover DeRocco". The signature is fluid and cursive, with the first name "Emily" being the most prominent.

Emily Stover DeRocco

Enclosure